

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

<i>In re</i>	:	Chapter 11
	:	
SUNPOWER CORPORATION, <i>et al</i>,	:	Case No: 24-11649 (CTG)
	:	
	:	Jointly Administered
	:	
Debtors. ¹	:	Prop. Hrg. Date: August 15, 2024 @ 4:00 p.m.
	:	Objections Due: N/A

UNITED STATES TRUSTEE’S OBJECTION TO THE MOTION OF DEBTORS FOR ENTRY OF AN ORDER SHORTENING NOTICE ON MOTION OF DEBTORS FOR ENTRY OF AN ORDER (I) APPROVING AGENCY AGREEMENT WITH HILCO COMMERCIAL INDUSTRIAL, LLC EFFECTIVE AS OF THE PETITION DATE; (II) AUTHORIZING THE SALE OF REMAINING ASSETS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS, AND ENCUMBRANCES; AND (III) GRANTING RELATED RELIEF [D.I. 131].

Andrew R. Vara, the United States Trustee for Region 3 (“U.S. Trustee”), by and through his undersigned counsel, hereby files this objection (the “Objection”) to the *Motion of Debtors for Entry of an Order Shortening Notice on Motion of Debtors for Entry of an Order (I) Approving Agency Agreement with Hilco Commercial Industrial, LLC Effective as of the Petition Date; (II) Authorizing the Sale of Remaining Assets Free and Clear of Liens, Claims, Interests, and*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: SunPower Corporation (8969); SunPower Corporation, Systems (8962); SunPower Capital, LLC (8450); SunPower Capital Services, LLC (9910); SunPower HoldCo, LLC (0454); SunPower North America, LLC (0194); Blue Raven Solar, LLC (3692); Blue Raven Solar Holdings, LLC (4577); BRS Field Ops, LLC (2370); and Falcon Acquisition HoldCo, Inc. (3335). The location of the Debtors’ service address for purposes of these chapter 11 cases is: 880 Harbour Way South, Suite 600, Richmond, CA 94804.

Encumbrances; and (III) Granting Related Relief [D.I. 131] (the “Motion”)² and in support thereof states:

PRELIMINARY STATEMENT

The Debtors seek to retain Hilco Commercial Industrial, LLC (the “Agent”) on two days’ notice to, among other things, liquidate certain of the Debtors’ assets denoted as the “Remaining Assets.” The Debtors earlier filed a motion seeking approval of bid procedures and protections related to the Complete Solaria Stalking Horse APA [D.I. 15] and another motion for the sale of other aspects of the Debtor’s assets including certain intellectual property [D.I. 114] (together, the “Sale Motions”). The Sale Motions are scheduled to be heard before this Court on August 29, 2024 at 10:30 a.m. with objections, if any, due August 22, 2024. Plainly stated, there appear to be no exigencies or other constraining facts and circumstances compelling such extraordinary relief (even on an interim basis), especially in light of the timing of the Sale Motions and, more importantly, before an official committee of unsecured creditors (the “Committee”) has the opportunity to consider and evaluate the relief requested.

JURISDICTION AND STANDING

1. This Court has jurisdiction to hear the Motion and this Objection.
2. Pursuant to 28 U.S.C. § 586, the U.S. Trustee is charged with the administrative oversight of cases commenced pursuant to title 11 of the United States Bankruptcy Code. This duty is part of the U.S. Trustee’s overarching responsibility to enforce the bankruptcy laws as

² Capitalized terms set forth in this objection are the same as those ascribed to capitalized terms as set forth in the so-referenced relevant pleading.

written by Congress and interpreted by the courts. *See United States Trustee v. Columbia Gas Sys., Inc. (In re Columbia Gas Sys., Inc.)*, 33 F.3d 294, 295-96 (3d Cir. 1994) (the U.S. Trustee has “public interest standing” under 11 U.S.C. § 307, which goes beyond mere pecuniary interest).

3. Pursuant to 11 U.S.C. § 307, the U.S. Trustee has standing to be heard with regard to the Motion.

BACKGROUND AND OBJECTION

4. On August 5, 2024 (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. These chapter 11 cases are being jointly administered pursuant to Bankruptcy Rule 1015(b). To date, the Debtors continue to manage their businesses and their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. The U.S. Trustee has solicited among the creditor body for interest in membership on an official committee of unsecured creditors but that process remains ongoing. No trustee or examiner has been appointed in these chapter 11 cases.

6. On August 13, 2024, the Debtors filed the present Motion, along with the underlying *Motion for Entry of an Order (I) Approving Agency Agreement with the Agent Effective as of the Petition Date and Authorizing the Sale of Remaining Assets Free and Clear of Liens, Claims, Interests, and Encumbrances* [D.I.129} (the “Agent Motion”). Pursuant to the Agent Motion, the Debtors seek, *inter alia*, (i) to permit the Agent to liquidate the Debtors’ assets other than the Bidding Procedures Assets (collectively, the “Remaining Assets”) and (ii) approval of other aspects of the Agent’s retention. The Remaining Assets have yet to be specifically identified,

and the Committee, once appointed, should have the opportunity to vet and take a position on the Agent Motion before any relief is granted. The Court is giving the Committee that same opportunity with respect to the Sale Motions.

7. Additionally, there appear to be no exigent circumstances supporting hearing the Agent Motion on two days' notice, even on an interim basis. A notice period truncated to two days does not afford parties in interest an adequate opportunity to consider the Agent Motion and respond to same.

CONCLUSION

WHEREFORE, the U.S. Trustee respectfully requests that Court deny the Motion and/or grant such other relief as this Court deems fair, appropriate, and just.

Respectfully submitted,

ANDREW R. VARA
UNITED STATES TRUSTEE
REGIONS 3 & 9

Dated: August 14, 2024

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